

# State of South Dakota

EIGHTY-FOURTH SESSION  
LEGISLATIVE ASSEMBLY, 2009

400Q0315

## SENATE BILL NO. 42

Introduced by: The Committee on Taxation at the request of the Department of Revenue and Regulation

1 FOR AN ACT ENTITLED, An Act to impose the sales tax on the gross receipts derived from  
2 renting mini-storage units, self-storage units, or storage space and the use tax on the use of  
3 mini-storage units, self-storage units, or storage space and to declare an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

5 Section 1. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as  
6 follows:

7 The Legislature finds that pursuant to § 10-45-5.2, the Legislature intended to subject  
8 general warehousing and storage (industry no. 4225) of the Standard Industrial Classification  
9 Manual, 1987, as prepared by the Statistical Policy Division of the Office of Management and  
10 Budget, Office of the President, to the South Dakota sales tax, including "Warehousing, self-  
11 storage" and "Miniwarehouse warehousing." Therefore, the contrary holding in In the Matter  
12 of the Sales Tax Liability of James Pirmantgen & Patrician Carlson, 2008 SD 127, is hereby  
13 abrogated.

14 Section 2. That chapter 10-45 be amended by adding thereto a NEW SECTION to read as  
15 follows:



1       There is hereby imposed a tax at the rate of four percent upon the gross receipts of any  
2       person from the engaging in the business of renting mini-storage units, self-storage units, or  
3       storage space.

4       Section 3. That chapter 10-46 be amended by adding thereto a NEW SECTION to read as  
5       follows:

6       An excise tax is hereby imposed on the privilege of the use of mini-storage units, self-  
7       storage units, or storage space in this state at the rate of four percent of the rental payments for  
8       use of the property.

9       Section 4. Whereas, this Act is necessary for the support of the state government and its  
10      existing public institutions, an emergency is hereby declared to exist, and this Act shall be in  
11      full force and effect from and after its passage and approval.